

CFDF Corporation

Minutes of Meeting

Tuesday, September 28, 2004 6:00 PM

I. Call to Order: Meeting was called to order at 6:05 pm

II. Roll Call: Present were Al Romanowicz, Maurice Brousseau, Gene Racquier, Augie O'Connor and Casey Andrade. Also present were Chris Orton, Wayne Salisbury and Tony Ventetuolo.

III. Secretary's Report: On a motion by Maurice Brousseau seconded by Casey Andrade, the Board approved the minutes of the August 31, 2004 meeting on a 5-0 vote.

IV. Treasurer's Report: On a motion by Gene Raquier, seconded by Augie O'Connor, the Board voted 5-0 to accept the Treasurers Report and Balance Sheet as of August 31, 2004.

V. Executive Session: On a motion by Augie O'Connor, seconded by Casey Andrade the Board voted 5-0 at 6:10 pm to go into Executive Session to discuss security issues, property acquisition issues, and litigation. The Board came out of Executive Session at 6:35 pm. On a motion by Augie O'Connor seconded by Maurice Brousseau the Board voted 5-0 to seal the minutes of the Executive Session.

VI. Old Business:

a. ADP Status: Mr. Ventetuolo discussed the current ADP at the Wyatt Facility and presented the Board with a letter from the New York USMS dated 08/31/04 requesting 200 beds. Mr. Salisbury has been in discussion with the Marshal from New York and indicated to him that he doesn't have the 200 beds at present, but that we are

planning an expansion and may be able to accommodate him within an 18 month period. Mr. Ventetuolo also reported that in discussions with the consulting group in Washington the Office of Detention Trustee is still struggling with budget issues at this point and cannot move forward with reviewing our expansion proposal with any definitive action at this time.

b. Expansion Activities: Ray Meador from Public Asset Management presented the Board with an overview of the current status of the financing process. Please see attached package. Mr. Meador reviewed the two financing options and the Board asked questions and expressed their preference relative to same. On a motion by Maurice Brousseau seconded by Gene Racquier the Board voted 5-0 on individual count to confirm the recommendation of Public Asset Management that Piper Jaffrey act as the Investment Banker for the expansion bonds. On a motion by Augie O'Connor seconded by Maurice Brousseau the Board voted to authorize the Project Representative to sign an agreement with Piper Jaffrey subject to the approval by the Commitment Committee and review by Corporate Council. The motion passed 5-0 on an individual count. On a motion by Maurice Brousseau seconded by Augie O'Connor the Board voted 5-0 on an individual count to authorize the Project Representative based on recommendations of the Finance Team to determine whether Option I or Option II is preferable and proceed to close the transaction noting that the Board unanimously prefers Option I. Mr. Meador said that he would keep the Board advised of the financing process and also noted that the schedule presented may need

adjustment due to events or investor requirements.

c. Project Schedule: A revised Gant Chart of the expansion project was presented to the Board. The revised schedule shows that construction would now begin on February 1, 2005, with substantial completion by September 1, 2006.

d. RFQ Design/Build Contractor: Mr. Ventetuolo presented the Board with the RFQ that has been put out and indicated that responses are due October 5, 2004. Mr. Ventetuolo also indicated that at the present time approximately 16 Design/Build Contractors, mostly major nationally recognized firms, have received copies of the RFQ.

e. 25% Design: Mr. Ventetuolo provided the Board with a letter of authorization which was given to Berger Group to begin the 25% design plan in order to keep the project moving and coincide with the current project schedule. This phase of the design is estimated at approximately \$60,000.00 and will be paid for out of operational reserve funds which will be reimbursed once expansion financing has been completed.

f. Global Letter of Credit: Mr. Ventetuolo presented the Board a copy of the Letter of Credit from Global which was required in the RFP soliciting a new inmate phone system. Mr. Orton also discussed that status of other minor issues relative to the Global contract.

VII. New Business:

a. Donation: The Board reviewed a letter presented on behalf of Ralph J. Holden Scholarship Memorial Basketball Tournament. Also present at the meeting was Lou Parquette, a former Board member,

who explained to the Board what the Scholarship committee was about. On a motion by Maurice Brousseau seconded by Gene Raquier the board voted 5-0 to make a \$1500.00 donation to the Ralph J. Holden Scholarship fund on behalf of the CFDF in accordance with the bylaws of the Corporation.

b. Investment Banking Proposal: Ray Meador described the proposals that came into the Board from the various Underwriting Groups and the Piper Jaffrey proposal was presented to the Board and discussed. As stated earlier the Board voted 5-0 to retain Piper Jaffrey as the Underwriter for the expansion project.

c. Project Labor Agreement Status: Mr. Ventetuolo discussed his ongoing discussions with the members of the labor community and the major components of the Project Labor Agreement. It is anticipated that another meeting will be held again next week with the Labor Leaders in order to finalize the agreement prior to the expansion project beginning.

d. URI Contract: An executed agreement to continue the URI program at the Wyatt facility, which is in its sixth year was discussed by both Ventetuolo and Salisbury. A copy of the executed agreement which was for the same amount as last year was presented to the Board.

VIII Other: On a motion by Maurice Brousseau, seconded by Casey Andrade the Board voted 5-0 to approve payment for requisition #154 (attached). It was also noted that the payment to Cornell Corrections in this invoice included the first quarter per diem as well as some additional transportation invoices.

X. Adjournment: On a motion by Maurice Brousseau and seconded by Gene Racquier the Board voted 5-0 to adjourn at 7:50 PM.